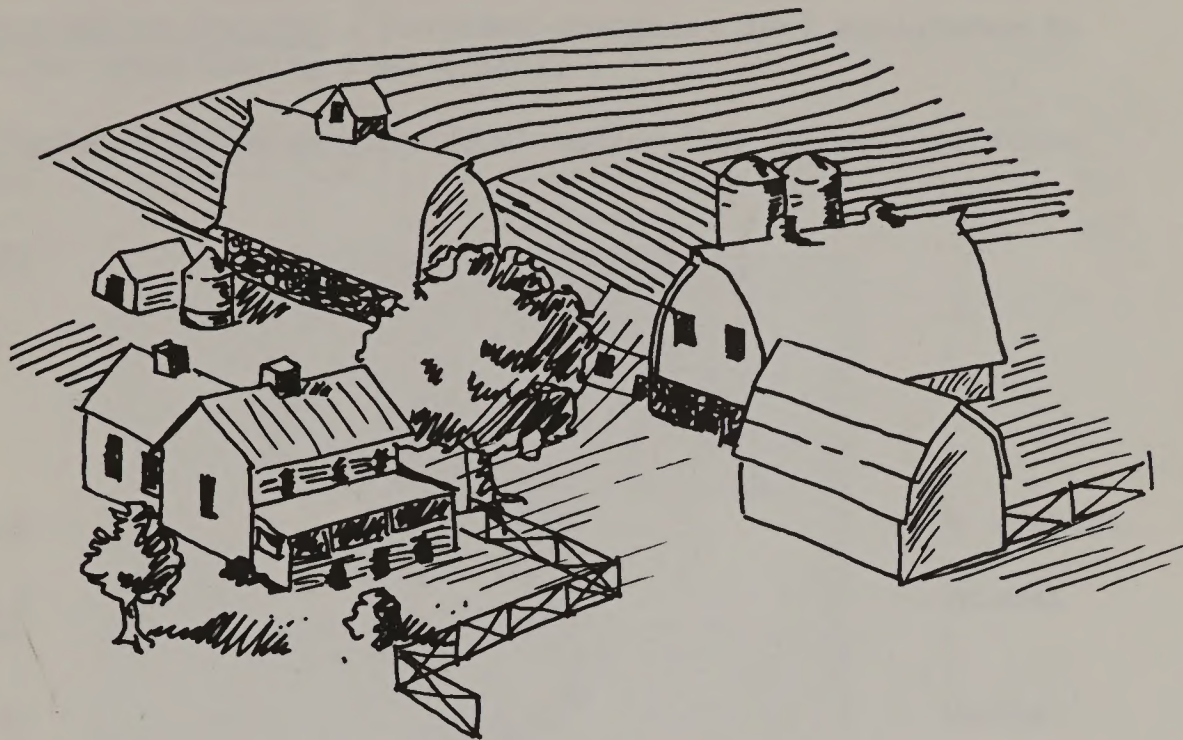


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SMALL FARM



OPPORTUNITIES

DIRECTORY OF SERVICES AVAILABLE FROM:

Community Action Agencies	1
Soil Conservation Service	3
Cooperative Extension Service	5
Agricultural Stabilization and Conservation Service	7
Farmers Home Administration	9

**United States
Department of
Agriculture**



National Agricultural Library

Community Action Agencies

PROGRAMS COMMON TO ALL AGENCIES

Home Weatherization Program - Installs insulation and other energy conservation materials on eligible residences.

Crisis Intervention Program - Provides emergency fuel assistance to eligible families experiencing fuel crises.

Outreach Program - Based on individual and/or family need, provides information and referral to appropriate assistance programs.

INDIVIDUAL AGENCY PROGRAMS

District I

Inter-Lakes Community Action, Inc.
P.O. Box 268 (Sixth & Egan)
Madison, SD 57042
(605) 256-6518

Credit Union - Provides money management and loan services to members.

Homemakers Program - Provides personal health care and nutritional safety equipment for elderly.

Elderly Home Safety Modification Program - Purchases and installs home safety equipment for elderly.

District II

South Eastern Human Development Corporation
313 South First Avenue
Sioux Falls, SD 57102
(605) 339-9606

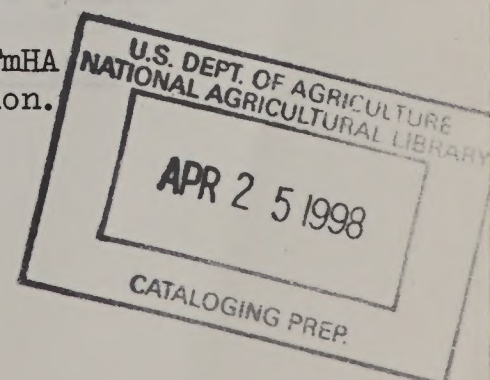
See Programs Common to All Agencies.

District III

South Central Community Action Program
P.O. Box 6 (Second & Main)
Lake Andes, SD 57356
(605) 487-7635

Livestock/Equipment Co-op, Inc. - Provides bank loan guarantees of 25 percent on a maximum loan of \$30,000 for livestock and/or equipment. Also provides direct loans up to \$2,500 for the same purposes. Youth are eligible for maximum \$500 direct loans.

Self-Help Housing - Assists groups of families in securing FmHA low-interest, sweat equity financing for new housing construction.



Alcohol/Drug Program - Alcoholism counseling, referral and detoxification services.

District IV Northeast South Dakota Community Action Program
610 Second Avenue East
Sisseton, SD 57262
(605) 698-7654

Northeast Livestock Co-op - Provides 25 percent guarantees on bank livestock loans. Also provides farm management assistance.

Small Business Loan Guarantee Program - Provides 25 percent guarantees on a maximum \$10,000 bank loan for rural business enterprise. Also provides business packaging and management assistance.

Housing Counseling - Assists in packaging housing loan applications and rural water and sewer loan applications.

Head Start - Education program for preschool children (four years old).

District V Greater Missouri Community Development Corporation
P.O. Box 698 (209 East Pleasant Drive)
Pierre, SD 57501
(605) 224-1692

Livestock Co-op - Under development. Will provide bank loan guarantees for livestock loans.

Home Repair Project - Provides loan and grant packaging assistance through a variety of home repair resources.

Youth Development Program - Summer feeding and community recreation assistance for youth.

District VI Western South Dakota Community Action, Inc.
5001 Sturgis Road
Route 4, Box 278
Rapid City, SD 57701
(605) 348-1460

Wood Stove Project - Installs solar energy devices in home and provides fire wood.

Child Development Program - Education program for preschool children (four years old) and day care services.

Home Repair Program - Provides loan and grant packaging through a variety of home repair resources.

Elderly Meals Program - Seven nutrition sites serve meals to elderly.

Soil Conservation Service

The Soil Conservation Service (SCS) provides technical assistance to individuals, groups, organizations, cities and towns, and county and state governments in reducing the costly waste of land and water resources, and in putting to good use these national assets. The objective is use of the land within its capability and application of treatment according to its needs.

SCS was established in the U. S. Department of Agriculture (USDA) by the Congress in 1935 to plan and carry out a national program to conserve and develop our soil and water resources. More specifically the Soil Conservation Service:

- Develops and carries out a national soil and water conservation program through conservation districts.
- Helps develop and carry out watershed protection and flood prevention projects and river basin investigations in cooperation with other agencies.
- Administers the Great Plains conservation program designed to provide cost-sharing and technical assistance to land users on their entire operating unit on a voluntary basis.
- Helps local sponsors develop and carry out multicounty resource conservation and development projects.
- Administers the Rural Abandoned Mineland Program contained in the Surface Mining Control and Reclamation Act of 1977 whereby the SCS provides planning assistance for the protection of important agricultural land and establishes a program to reclaim abandoned coal mined land.
- Helps develop USDA's conservation cost-sharing programs. Is responsible for assisting in the preparation of long-term conservation practices provided by these programs. Provides technical assistance to participating farmers and ranchers and prepares designs and specifications for work undertaken.
- Has primary responsibility for the national cooperative soil survey.
- Heads the national land inventory and monitoring activity.
- Makes and coordinates snow surveys for water supply forecasting in the West.

- Helps develop and carry out watershed protection and flood prevention projects in 11 major watersheds in cooperation with other agencies.

- Appraises potential for outdoor recreation developments. Helps establish income-producing recreation areas on privately owned land and in public water-based recreation and fish and wildlife areas in watershed protection and resource conservation and development projects.

- Gives technical assistance to land users participating in the conservation credit program of the Farmers Home Administration.

- Provides technical assistance to communities and units of government on land use planning and helps them in obtaining the needed technical data on land, water, and related resources.

Cooperative Extension Service

The Cooperative Extension Service is a three-way partnership. South Dakota State University, the U. S. Department of Agriculture and your county share in the planning and financing of extension education work. Local people participate in planning and carrying out county programs by serving voluntarily on extension advisory boards and councils. County Extension Boards help plan, implement and evaluate programs in each county of the state.

County Extension Agents assist farmers and agricultural businesses through education and information on the best practices needed to grow, market, process and utilize farm products. They suggest how to adapt scientific methods to individual needs and to adjust farm business enterprises to changing economic conditions. Skilled Extension Specialists and Extension Agents can help farmers solve the everyday problems of:

- a. crop varieties, forages and pastures
- b. soil maintenance and management
- c. control weeds, insects, and diseases
- d. livestock selection and nutrition
- e. farm buildings, machinery and equipment
- f. farm forestry
- g. safety and the safe use of pesticides

Home owners can obtain information on problems of lawn, gardens, landscaping, insects and disease control. Extension also assists farmers' cooperatives, the wholesalers and distributors of farm products. Special programs in farm and home management are available to help limited resources farm families move into the economic mainstream.

In addition to helping the farmer improve income, the Extension Service conducts programs directed toward the entire farm family activities. Programs in Home Economics such as:

- a. foods and nutrition
- b. clothing and textiles
- c. family housing and furnishings

- d. consumer buying
- e. home management and financial planning
- f. human health and safety

The 4-H youth program is designed for youth 9 to 19 years of age. Participation involves enrolling in an organized local club led by volunteer adult leaders. A fourth major program area supported by the Extension Service is Community Resources Development. Community leaders are assisted in identifying community wide needs and designing programs directed toward improving community facilities and services, public health and housing, business and industrial development, recreation, local government and public finance as examples.

County Extension offices are listed under County Government in the telephone directory and most offices are located in the County Courthouse.

Agricultural Stabilization and Conservation Service

The Agricultural Stabilization and Conservation Service administers conservation programs and disaster payments. The conservation programs are cost-sharing programs in which technical assistance is provided and the cost of implementing the conservation measures is divided between the United States Department of Agriculture and the farmer. The disaster payments are paid directly to the farmer for losses incurred due to natural disaster, such as flood, etc. These are not loans.

A. AGRICULTURAL CONSERVATION PROGRAM (ACP)

PURPOSE: To encourage producers to apply lasting soil and water conservation practices on their farms. This program will cost-share with farmers up to 80 percent of the cost in carrying out approved construction practices.

FOR: Any eligible person who as owner, landlord, tenant or share-cropper on a farm or ranch bears a part of the cost.

B. EMERGENCY CONSERVATION MEASURES

PURPOSE: To rehabilitate farmlands damaged by natural disasters in counties designated as disaster areas by the Secretary of Agriculture.

FOR: Any eligible owner, landlord or tenant on a farm who bears part of the cost for improvement on a farm in a declared disaster area.

C. FORESTRY INCENTIVES PROGRAM

PURPOSE: To encourage and assist private timberland owners in carrying out measures to increase the production of timber products.

FOR: Private timberland owners who are willing to work with the local forester in developing and following a timber management plan in planting trees and improving existing stands of timber.

D. WATERBANK PROGRAM

PURPOSE: To preserve and restore habitat for nesting and breeding areas of migratory waterfowl and other wildlife resources, to improve wetlands and conserve surface waters and improve water quality.

FOR: Any eligible owner, landlord, or tenant on a farm who wishes to put eligible wetland and adjacent land into 10 year set aside agreements for wildlife habitat.

E. PRICE SUPPORT PROGRAMS

The Price Support Loan Program makes it possible for farmers to obtain loans on their grain crops after harvest. This is especially important at harvest time when market prices are often low or when elevators and transportation facilities are plugged. By placing their grain under loan, producers have a chance to exercise greater independence in their marketing operations and to benefit from price increases that often come later in the season after harvest.

Grain producers can also place wheat and feed grains in the Grain Reserve Program for three years and receive storage payments from CCC for storing the grains. The objective of this program is to improve the market price of these commodities. This is a tool that grain producers can use to raise the price of these commodities.

F. FARM STORAGE FACILITY LOAN PROGRAM

The Farm Storage Facility Loan Program makes loans available to grain producers for the building of storage and drying facilities. In many cases farmers need to construct storage facilities to take advantage of the Price Support Loan and the Grain Reserve Programs. Loans are made on 85 percent of the cost.

G. WOOL INCENTIVE PROGRAM

Wool incentive payments are made to producers to support the sales of shorn wool and unshorn lambs. This incentive payment is the difference between the average price farmers received for their wool during the marketing year and the incentive price.

H. PRODUCTION ADJUSTMENT

The feed grain and wheat program provides target price payments to participating farmers. By setting aside 10 percent of their corn and sorghum acreage, 20 percent of their barley and wheat planted acreage, participants will qualify for target price protection. The 1979 wheat and feed grain programs are designed to bring our grain stocks to a level that protects domestic and foreign buyers from extreme fluctuation in market prices.

Farmers Home Administration

OPERATING LOANS

ELIGIBILITY

1. Be a citizen of the United States.
 2. Possess legal capacity to incur the obligations of the loan.
 3. Be an individual who has experience or training sufficient to assure reasonable prospect of success in the proposed operation.
 4. Possess the character, ability, and industry necessary to carry out the proposed operations and to carry out the objectives connected with the loan.
 5. Be unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms.
 6. After the loan is made, must rely on farm and other income for an adequate level of living.
 7. May be an individual, partnership, cooperative or corporation.
- Other than individual:
- a. Must be organized for farming under U. S. laws and recognized by the State where they are doing business.
 - b. Majority stockholders must be related by blood or marriage (through first cousins), must be U. S. citizens, and must engage primarily and directly in farming or ranching.
 - c. Must be operated by one of the members.
 - d. Test for credit applies to all members.

LOAN PURPOSES

1. Purchase livestock, poultry, farm equipment, forestry needs.
2. Loan for feed, seed, supplies, repairs, and forestry expenses.
3. Loan for rent, taxes, one year's interest on farm real estate debts and chattel debts.
4. One year's depreciation on equipment under prior lien of another creditor.
5. Loan for recreational equipment and operating expenses.
6. Loan for stock in marketing or service cooperatives.
7. Loan for family subsistence needs.
8. Loan for home equipment.
9. Refinance secured and unsecured debts based on equity in basic type livestock and farm or recreational equipment.
10. Loan for purchase of milk bases.
11. Fish farm expenses and for needed equipment.
12. Feeder cattle, when majority of feed is raised.
13. Real estate improvements not to exceed \$5,000.
14. Purchase of bees and equipment.
15. Non-farm enterprises.

YOUTH LOANS

The Farmers Home Administration can make loans to individual rural residents under 21 years of age to establish and operate income producing farm or nonfarm enterprises of modest size.

Each project must be part of an organized and supervised program of work. The project must be planned with the help of the organization supervisor and operated under his guidance, must give indication that it will produce sufficient income to repay the loan, and must provide the youth with practical business experience.

EMERGENCY LOANS

The Farmers Home Administration can make emergency loans in counties where property damage or severe production losses occur as a result of a natural disaster that substantially affects farming, ranching or aquaculture operations.

Emergency loans are authorized by FmHA state Directors in areas where unusual and adverse weather conditions result in severe production or physical losses substantially affecting one or more farmers. State directors rely on reports from local FmHA offices and other official and unofficial sources concerning the losses to determine the need for FmHA emergency assistance.

Emergency loans are also made in areas named eligible for Federal assistance under a major disaster or emergency declaration by the President.

LOAN PURPOSES

Loans may be made to applicants to cover actual losses and expenses for damaged or destroyed farm property and production. Such loans may be used to repair, restore, or replace damaged or destroyed farm property and supplies; for expenses incurred for crop production; and to pay farm debts owed to other creditors.

A borrower eligible for an emergency actual loss loan may also be eligible for a loan at the prevailing market interest rates to construct or improve buildings (including a home) and other essential facilities. Such loans may also be made to purchase livestock, poultry, or other animals and to pay costs of reorganizing the farming system to make it a sound operation, equivalent in net return to the operation conducted before the disaster. These funds may be used to buy essential home equipment and furnishings and to refinance debts under certain conditions.

More emergency loans for operating purposes may be made at the prevailing market interest rate for each successive year up to six

years after the initial loss loan, to permit the borrower to recover sufficiently from the disaster losses to be able to return to usual credit sources.

ECONOMIC EMERGENCY LOANS

Farmers or ranchers who suffer economic hardships because of a general lack of farm credit may receive Economic Emergency loans from the Farmers Home Administration. These loans are authorized when farm credit is hard to get because of national or area-wide economic stresses, such as a general tightening of agricultural credit or situations such as high production costs and low prices for farm goods. These loans can be made to bona fide farmers and ranchers to help them continue their normal operations during a temporary economic emergency. Individuals, partnerships, cooperatives, and corporations are eligible for these Economic Emergency loans.

WHO CAN GET A LOAN?

To qualify for an Economic Emergency loan, you must be:

1. A bonafide farmer or rancher recognized in the community as primarily and directly engaged in agricultural production. You can be an owner-operator or a tenant. You also can be farming as an individual, cooperative, corporation or partnership.
2. Unable to obtain suitable credit from regular agricultural lenders.
3. A citizen of the United States. If an application comes from a cooperative, corporation or a partnership, the members, stockholders, or partners who hold a majority interest must be U. S. citizens.
4. Of good character. You must have demonstrated the industry, ability, training, or experience necessary to be a good farmer with the potential to repay the loan.

All applications will be considered without regard to age, race, color, creed, sex, marital status, or national origin.

WHAT ARE THE LOAN LIMITS?

The total Economic Emergency loan to any one borrower cannot exceed \$400,000. The combined total of Farm Ownership, Soil and Water, Recreation, Operating, and Economic Emergency loans cannot be more than \$650,000.

FARM OWNERSHIP LOANS

ELIGIBILITY REQUIREMENTS

An applicant, to be eligible for an FO loan, must:

1. Be a citizen of the United States.
2. Possess legal capacity to incur the obligations of the loan.
3. Be an individual who has experience or training sufficient to assure reasonable prospect of success in the proposed operation.
4. Possess the character, ability, and industry necessary to carry out the proposed operations and to carry out the objectives connected with the loan.
5. Be unable to obtain sufficient credit elsewhere to finance his actual needs at reasonable rates and terms.
6. After the loan is made, be the owner-operator of a family farm, and must rely on farm and other income for an adequate level of living.
7. May be an individual, partnership, cooperative, or corporation - Other than individual:
 - a. Must be organized for farming under U. S. laws and recognized by the state where they are doing business.
 - b. Majority stockholders must be related by blood or marriage (through first cousins), must be U. S. citizens, and must engage primarily and directly in farming or ranching.
 - c. Must be operated by one of the members.
 - d. Test for credit applies to all members.

LOAN PURPOSES

1. Purchase or enlarge a farm including land for recreation or other nonfarm enterprises which will not be larger than a family-size farm.
2. Construct or improve buildings and facilities on the applicant's farm which are necessary to the operation of the farm, recreation, or other nonfarm enterprise. Install domestic water and sewer systems and other necessary items.
3. Provide land and water development, use, and conservation essential to the sound operation of the farm. This also includes fences, land clearing, establishment and improvement of pasture, application of fertilizer, and construction of dams.
4. Refinance secured and unsecured debts.
5. Pay expenses incident to obtaining plans for construction and fees for legal and architectural services.
6. Provide recreational and nonfarm enterprises.
7. Purchase stock in a cooperative lending agency that is necessary to obtain the loan.

LOAN LIMITATIONS

1. \$200,000 is the maximum farm ownership loan. A loan will not be approved if the noncontiguous character of a farm containing two or more tracts is such that a successful farming operation cannot be conducted.
2. An insured loan will not be used to supplement a guaranteed loan nor will it be made to refinance a guaranteed loan unless the need to refinance were beyond the borrower's control and is in the best interests of the Government and borrower.

SOIL & WATER LOANS TO INDIVIDUALS

ELIGIBILITY REQUIREMENTS

1. Must be a farm owner or operator, member of a partnership that owns and operates a farm, or a domestic corporation engaged in farming. Any of these applicants must be without sufficient resources to obtain sufficient credit to finance the proposed land and water development, use, and conservation practices at reasonable rates and terms.
2. Have the character, managerial competence, ability, and industry to carry out the proposed operations and will honestly endeavor to carry out the proposed enterprise and obligation.
3. Have the necessary training or farm experience to give reasonable assurance of success in farming whenever the soundness of the loan depends on the farming operation.
4. Possess the legal capacity to incur the obligation of the loan.
5. If he is a tenant, have a satisfactory written lease for a sufficient period of time and under terms that will enable him to obtain reasonable returns on the improvements made with the SW loan.

LOAN PURPOSES

SW loans may be made to:

1. Construct, improve, or relocate essential buildings and structures that will be used primarily for pollution abatement or control.
2. Pay cash costs for materials, supplies and services related to: land and water development, use and conservation; the purchase and/or installation of water and sewage disposal systems necessary to the operation of the farm or nonfarm enterprise; and for pollution abatement and control that is related to soil and water conservation.
3. Acquire a source of water to be used on land the applicant owns or is acquiring, including the purchase of water stock and water right.
4. Purchase or repair special-purpose equipment necessary to perform land and water development provided such equipment is needed for, and will facilitate the completion or maintenance of the planned improvement, and the cost of the equipment plus other costs related to the improvement will not be more than if performed by contract or other methods.
5. Pay that part of the cost of facilities, improvements, and practices to be earned by participation in programs administered by agencies such as the Agricultural Stabilization and Conservation Service or the Soil Conservation Service only when such costs cannot be covered by purchase orders or assignments to material suppliers or contracts.
6. Refinance secured and unsecured debts that were incurred for authorized SW loan purposes.
7. Pay expenses incident to obtaining plans and making the loan.
8. Purchase any stock in a cooperative lending agency that is necessary to obtain the loan.
9. Purchase stock or membership in, or pay assessments to, a corporation, association or organized group service which will help such association or group service to finance facilities and improvements for which loan funds may be used.

RURAL HOUSING LOANS

ELIGIBILITY REQUIREMENTS

To be eligible for a rural housing loan, the applicant must meet the following requirements:

1. Buy, build, rehabilitate, improve or relocate a dwelling and provide related facilities to be used as his permanent residence on his farm or on a nonfarm tract he owns or will own after the loan is closed. The applicant must be without decent, safe, and sanitary housing for his own use.
2. Be without sufficient resources to provide credit from other sources at reasonable rates and terms.
3. Be a citizen of the United States, or legally admitted for permanent residence.
4. Have assured income sufficient to meet his operating and family living expenses, repay his debts, including the proposed loan.
5. Possess the character, ability, and experience to carry out the objectives of the loan.
6. Have the ability and experience to assure success when the loan depends on farm operations.
7. Possess legal capabilities to accept obligations.

LOAN PURPOSES

Loans may be made to an eligible applicant who:

1. Constructs, improves or relocates a dwelling to be used as a permanent residence and related facilities on his farm or nonfarm tract that he owns or will own after the loan is closed.
2. Purchase and move to a farm or tract an existing dwelling and related facilities to be used as a permanent residence.
3. Provide fallout shelters, storm cellars, and similar protective structures.
4. Provide adequate sewage disposal facilities for the applicant and family.
5. Provide adequate and safe water supply for the applicant and family.
6. Provide landscaping, sidewalks, yard fences, driveways.
7. Pay expenses for obtaining plans, legal fees, architectural fees, and other technical services connected with the rural housing loan which the applicant cannot pay from other funds.
8. Improvements financed with loan funds must be on the land which, after the loan is closed, is part of the farm or nonfarm tract owned by the borrower.

SECTION 504 LOANS AND GRANTS

LIMITATIONS

Funds will not be used in construction of new dwellings, or to materially improve the appearance of dwellings.

Grant recipients must sign an agreement stating that they will not sell the property for a period of three years and that if they do, they will reimburse the Government for the grant advance to the extent there is equity from the sale.

TERMS AND RATES

Loans will have an interest rate of one percent with the following limitations:

Loan up to \$1,500 may be amortized up to 10 years.
Loan up to \$2,500 may be amortized up to 15 years.
Loan up to \$5,000 may be amortized up to 20 years.

Loans up to \$2,500 can be secured by a promissory note only.
Loans over \$2,500 must be secured by a real estate mortgage.

AMOUNT OF SECTION 504 LOANS AND GRANTS

The total indebtedness for loans or grants, or a combination of the two, cannot exceed \$5,000.

ELIGIBILITY

The applicant must be low income (\$5,500 for an average family, some higher for larger families.) The applicant must be unable to qualify for a Section 502 loan. Grants can be made only to those families where one of the spouses is 62 years of age or older.

1. Loans will be made where a family can repay all of the loan.
2. Combination loans and grants will be made where a family can repay only a portion of the advance. A family budget (Form FmHA 431-3) will be used to determine the family's repayment ability.
3. Grants-only must be justified by a family budget which indicates the family has no repayment ability.
4. Families receiving loans must have a satisfactory repayment history.

LOAN OR GRANT PURPOSES

Roof repair, windows, doors, insulation, heating, structural repairs, sewer and water, fees and expenses, addition of a room where necessary, such as a bathroom or bedroom.

HOME WEATHERIZING LOANS

OBJECTIVES

To assist rural homeowners in making improvements to their homes that will reduce energy consumption and provide a more comfortable living

environment for their families. In the case of farmowners, Section 502 RHW loans can be made to weatherize dwellings located on the farm and occupied by the tenant, sharecropper, farm manager, or farm laborers.

ELIGIBILITY

Homeowners who are member-consumers of public utilities or rural electric co-ops which are participating in the weatherization program. May be residents of areas in rural countryside or in towns of not more than 20,000 population. Income may not be more than \$15,600 adjusted and family must be in need of FmHA credit to pay for home weatherizing improvements at rates they can reasonably afford.

Maximum credit available is \$1,500 per family. Maximum repayment period is five years. Interest rate is 8.75%. Loan application made to participating utility/rural electric cooperative, and payments made through monthly electric bills.

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